
CEDAR GLEN COMMUNITY MEETING

INTRODUCTIONS AND PURPOSE

Supervisor Dennis Hansberger, 3rd Supervisorial District

CEDAR GLEN RDA

Kathy Thomas, RDA Administrator

COUNTY SERVICE AREA 70-CG

Thomas Sutton, Director of Special Districts Department



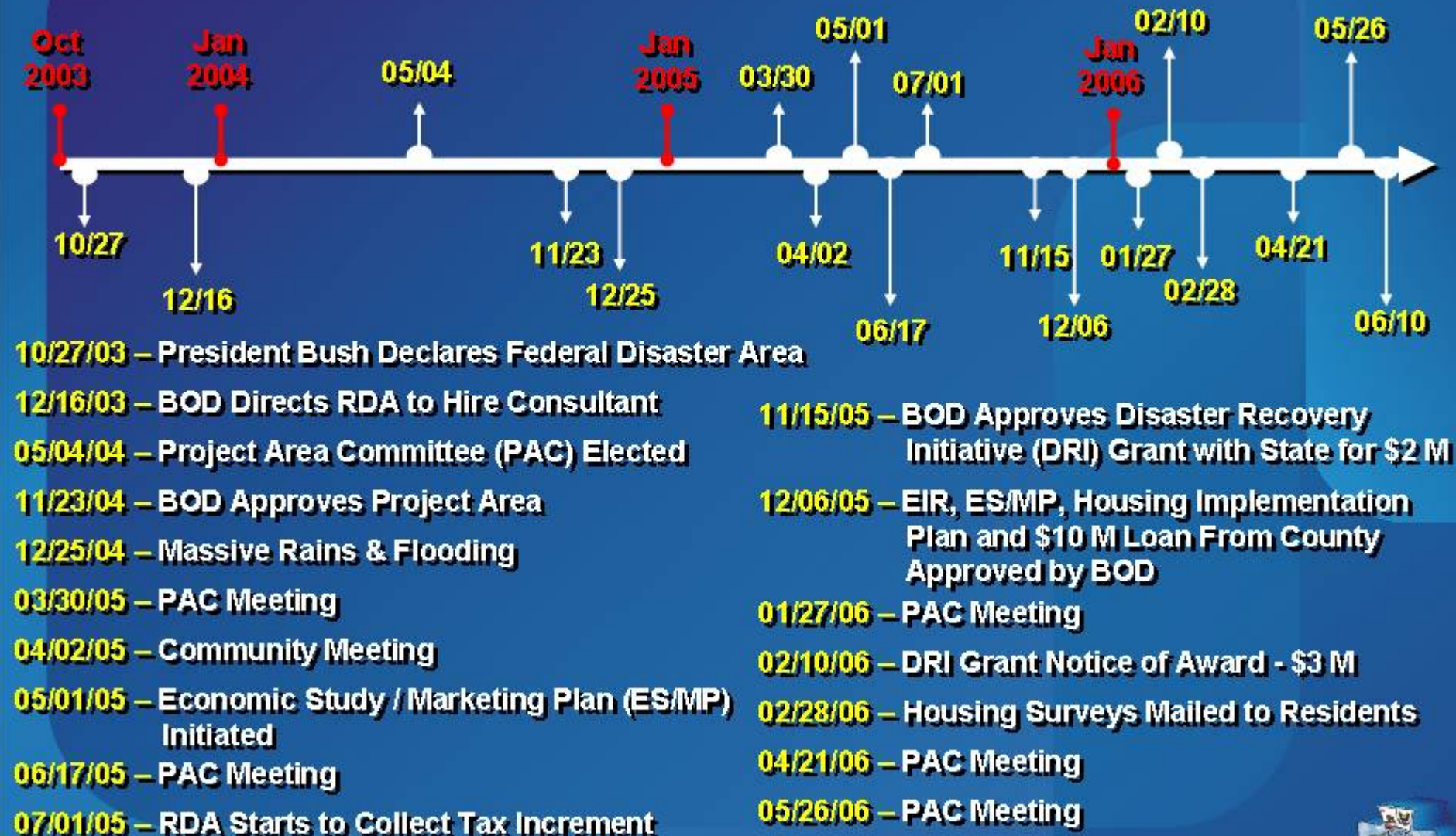
**County of San Bernardino
Redevelopment Agency**



Redevelopment Overview

Kathy Thomas - RDA Administrator

Timeline



Why Redevelopment?

Redevelopment is a process created to:

- Eliminate physical and economic blight from a designated area
- Achieve desired development, reconstruction, and rehabilitation of residential and commercial uses
- Allow for “tax increment” financing



Redevelopment allows for:

- Comprehensive planning for revitalization
- Citizen participation
- Public and private enterprise partnerships
- Public infrastructure and facility improvements



How Is A Disaster Recovery RDA Different?

- The project area must be declared as a United States Disaster by the President pursuant to the Disaster Relief Emergency Assistance Act
- Conditions that cause a reduction or lack of usage of the area or cause a serious physical and economic burden that cannot be reasonably reversed by private development alone
- Preparation of the Environmental Impact Report (EIR) will be delayed until after the adoption of the Redevelopment Plan. This will assist in expediting the process

Time Limits*	Disaster Recovery RDA	RDA
To Incur Debt	10	20
Conduct Activities	10	30
Pay Off Debt	30	45
* From Date of Adoption		



Reasons for the Selection of the Project Area

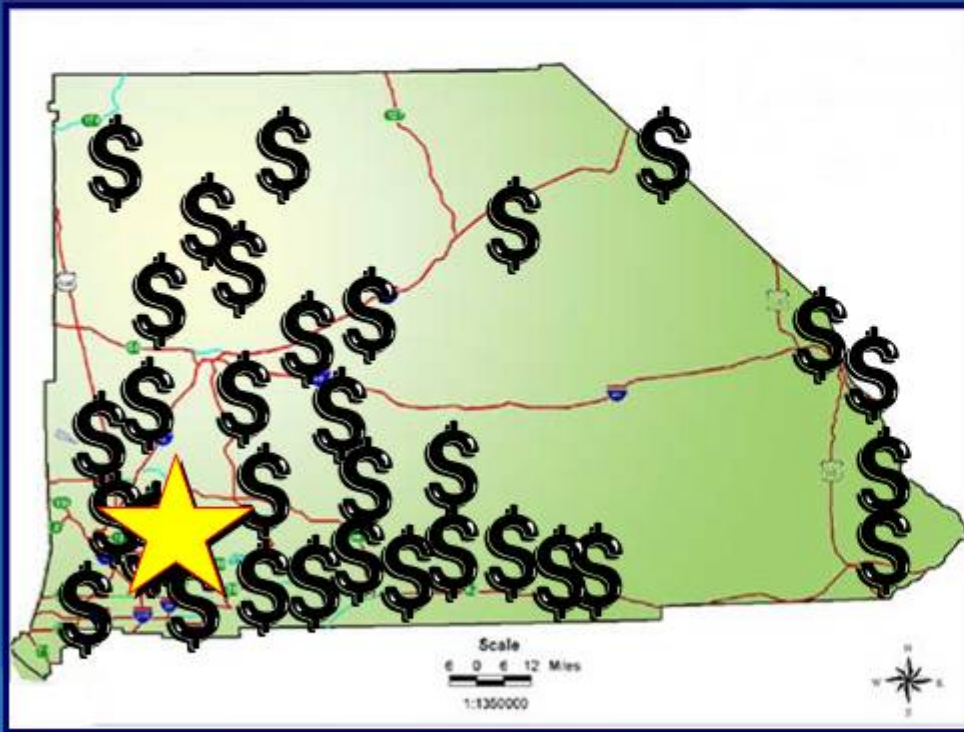


- The primary factors in determining the boundaries are the location of primary and secondary damage
- Direct fire damage was widespread throughout the eastern portion of the project area
- Secondary damages, including issues related to emergency water and circulation systems affect the entire project area



How Is Redevelopment Funded?

Without redevelopment your property tax dollars are:



Collected and placed
in the County's
General Fund

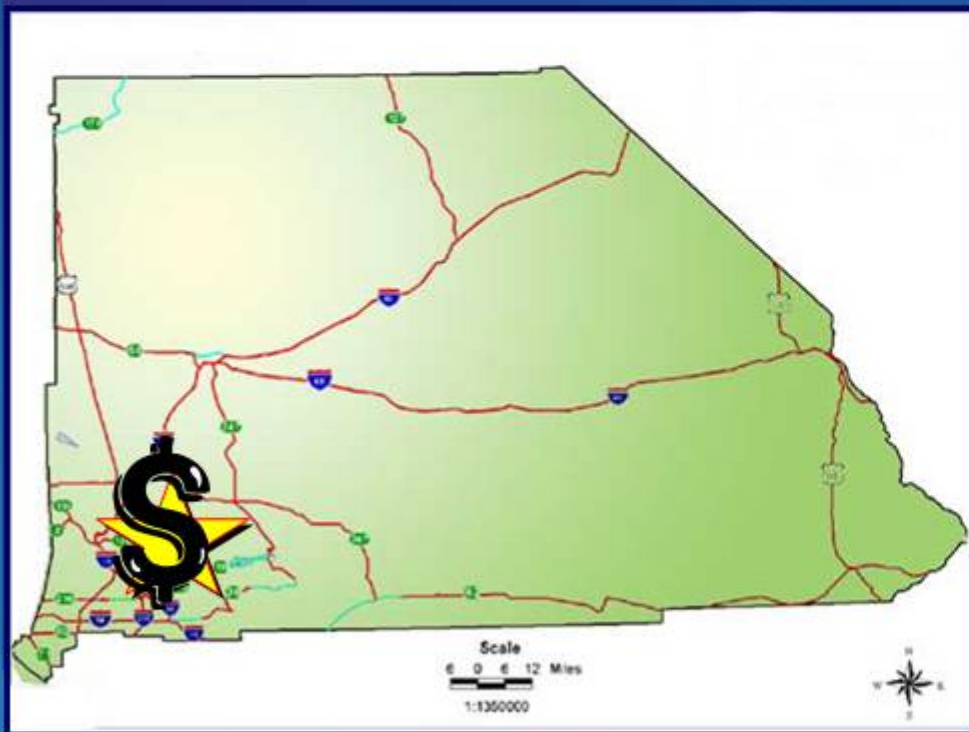


Then is authorized and
appropriated to a variety
of programs and projects
COUNTY-WIDE



How Is Redevelopment Funded?

With redevelopment your property tax dollars are:



Collected and placed
in the RDA Fund



Then is authorized and
appropriated to programs
and projects in the CEDAR
GLEN project area only



How Is Redevelopment Funded?

Assessed Valuation (AV)	Valuation of all property in project area
X Tax Levy	1% of market value of property
- Base Year Property Tax Value	Current property tax value less the base year
<hr/>	
Gross Tax Increment (GTI)	
- Housing Set-Aside	Set aside 20% of the GTI for RDA Housing
- Pass Thru Payments	Provide 20% for Tax Revenue Sharing also known as Pass Thru Payments
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Net Tax Increment (NTI)	This amount can be used for Capital Improvements, such as infrastructure and public facilities



How Is Redevelopment Funded?

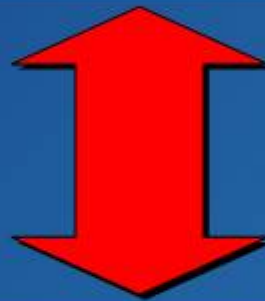
Estimation of Tax Increment Generated Over the 30 Years at a 2% Growth Rate

Fiscal Year	Assessed Valuation	Tax Levy	Tax Increment	Housing Set-Aside	Pass Through Payments	Available for Non-Housing Projects	Total RDA
Base	\$ 191,730,000	\$ 1,917,300	\$ -	\$ -	\$ -	\$ -	\$ -
2004	\$ 195,564,600	\$ 1,955,646	\$ 38,346	\$ 7,669	\$ 6,135	\$ 24,541	\$ 32,211
2005	\$ 199,475,892	\$ 1,994,759	\$ 77,459	\$ 15,492	\$ 12,393	\$ 49,574	\$ 65,065
2006	\$ 203,465,410	\$ 2,034,654	\$ 117,354	\$ 23,471	\$ 18,777	\$ 75,107	\$ 98,577
2032	\$ 340,482,702	\$ 3,404,827	\$ 1,487,527	\$ 297,505	\$ 238,004	\$ 952,017	\$ 1,249,523
2033	\$ 347,292,357	\$ 3,472,924	\$ 1,555,624	\$ 311,125	\$ 248,900	\$ 995,599	\$ 1,306,724
Totals:	\$ 8,125,410,183	\$ 81,254,102	\$ 21,817,802	\$ 4,363,560	\$ 3,490,848	\$ 13,963,393	\$ 18,326,954



County Loan to RDA

Authorized by BOS	Funding Appropriated	In Contingency
\$ 10,000,000	\$ 2,400,000	\$ 7,600,000



Phase 1 of Appropriated Funds	
Housing	\$ 1,200,000
Phase 1 - Road and Water Design	\$ 450,000
Business Assistance Program	\$ 250,000
Land Acquisition for Road and Water Projects	\$ 500,000
Total	\$ 2,400,000

**SDD to
manage**



Housing Programs

The following are programs under development by the RDA:

Program Name	Funding Appropriated	Funding Source	Per HH Maximum	Interest Rate	Income Restricted	# of HHs Potentially Assisted
Home Rehabilitation Program - Loan	\$ 720,000	LMIHF	\$ 30,000	3%	Y	24
Home Rehabilitation Program - Grant	\$ 180,000	LMIHF	\$ 4,000	0%	N	45
Land Use Assistance Program	\$ 300,000	GIF	\$ 4,000	0%	N	75
Total	\$ 1,200,000					144

LMIHF – Low- and Moderate-Income Housing Fund

GIF – General Increment Fund



County of San Bernardino
Special Districts Department



CSA 70, Zone CG

Thomas L. Sutton - SDD Director

Water and Road Project

Formation of Improvement Zone CG to County Service Area 70

- ♦ What is a County Service Area
- ♦ What is an Improvement Zone
- ♦ Improvement Zone CG was formed by the County Board of Supervisors on July 12, 2005
- ♦ Powers of the Improvement Zone include:
 - Water Service
 - Road Service



Water and Road Project

Road and Water Project Funding

Type of Fund	Amount	Status
County Loan	\$ 800,000	To BOS on 06/13/2006
Community Development Block Grant Disaster Recovery Initiative	\$ 3,000,000	Pending
Special Districts Proposition 50 Application	\$ 2,000,000	Pending
Receiver's Proposition 50 Application	\$ 1,500,000	Pending
RDA Loan From County	\$ 10,000,000	Only \$2.4 M Appropriated
Total	\$ 17,300,000	



Water and Road Project

Purchase of the Arrowhead Manor Water Company

- ♦ Purchase amount \$300,000
- ♦ Due diligence period near completion
- ♦ Purchase agreement prepared by receiver and approved by the County
- ♦ Anticipate final purchase date in July/August 2006
- ♦ Zone CG to assume the assets and the operation and maintenance of the water company upon purchase



Water and Road Project

Anticipated Water Rates

- ♦ All connections to include 1 inch meters
- ♦ Proposed rates include DWR debt, County loan debt, and an estimated cost for purchase of CLAWA water
- ♦ Surcharges implemented by the receiver and approved by the PUC will remain on bills

Average Bill Increases		
1 Inch Meters at:	30 HCF	75 HCF
Metered Customers	34%	20%
Unmetered Customers	104%	246%



Water and Road Project

Example 1

1 Inch Meter With Consumption at 30 HCF							
Bi-Monthly Metered Rates Water Consumption Charges				Bi-Monthly Flat Rates Water Consumption Charges			
Existing		Proposed		Existing		Proposed	
Facility Charge	\$ 26.13	Facility Charge	\$ 109.33	Current Rate	\$ 98.00	Current Rate	\$ 89.00
1-14 HCF @ \$5.33/HCF	\$ 74.62	1-14 HCF @ \$4.69/HCF	\$ 65.66			Adjustment to average (\$500-\$169)	\$ 169.00
15-40 HCF @ \$5.33/HCF	\$ 85.28	15-40 HCF @ \$5.21/HCF	\$ 83.36				
41-80 HCF @ \$5.33/HCF	\$ -	41-80 HCF @ \$5.73/HCF	\$ -				
81+ HCF @ \$5.33/HCF	\$ -	81+ HCF @ \$6.30/HCF	\$ -				
Sub-Total	\$ 186	Sub-Total	\$ 258	Sub-Total	\$ 98	Sub-Total	\$ 258
		Difference	\$ 1			Difference	\$ 89
		Increase of \$1	0%			Increase of \$89	53%
Additional Charges		Additional Charges		Additional Charges		Additional Charges	
PUC Water Surcharge (\$75,000 @ 350 services)	\$ 71.00	County Debt	\$ 31.00	PUC Water Surcharge (\$75,000 @ 350 services)	\$ 71.00	County Debt	\$ 31.00
		DWR Debt	\$ 36.00			DWR Debt	\$ 36.00
		CLAWA	\$ 19.00			CLAWA	\$ 19.00
Sub-Total	\$ 71	Sub-Total	\$ 86	Sub-Total	\$ 71	Sub-Total	\$ 86
Grand Total	\$ 257	Grand Total	\$ 344	Grand Total	\$ 169	Grand Total	\$ 344
		Difference	\$ 87			Difference	\$ 175
		Increase of \$87	34%			Increase of \$175	104%



Water and Road Project

Example 2

1 Inch Meter With Consumption at 75 HCF							
Bi-Monthly Metered Rates Water Consumption Charges				Bi-Monthly Flat Rates Water Consumption Charges			
Existing		Proposed		Existing		Proposed	
Facility Charge	\$ 26.13	Facility Charge	\$ 109.33	Current Rate	\$ 98.00	Current Rate	\$ 331.00
1-14 HCF @ \$5.33/HCF	\$ 74.62	1-14 HCF @ \$4.69/HCF	\$ 65.66			Adjustment to average (\$500-\$169)	\$ 169.00
15-40 HCF @ \$5.33/HCF	\$ 133.25	15-40 HCF @ \$5.21/HCF	\$ 130.25				
41-80 HCF @ \$5.33/HCF	\$ 181.22	41-80 HCF @ \$5.73/HCF	\$ 194.82				
81+ HCF @ \$5.33/HCF	\$ -	81+ HCF @ \$6.30/HCF	\$ -				
Sub-Total	\$ 415	Sub-Total	\$ 500	Sub-Total	\$ 98	Sub-Total	\$ 500
		Difference	\$ 13			Difference	\$ 331
		Increase of \$13	3%			Increase of \$331	195%
Additional Charges		Additional Charges		Additional Charges		Additional Charges	
PUC Water Surcharge (\$75,000 @ 350 services)	\$ 71.00	County Debt	\$ 31.00	PUC Water Surcharge (\$75,000 @ 350 services)	\$ 71.00	County Debt	\$ 31.00
		DWR Debt	\$ 36.00			DWR Debt	\$ 36.00
		CLAWA	\$ 19.00			CLAWA	\$ 19.00
Sub-Total	\$ 71	Sub-Total	\$ 86	Sub-Total	\$ 71	Sub-Total	\$ 86
Grand Total	\$ 487	Grand Total	\$ 586	Grand Total	\$ 169	Grand Total	\$ 586
		Difference	\$ 99			Difference	\$ 417
		Increase of \$99	20%			Increase of \$417	246%



Water and Road Project

Road Improvements

- ♦ Improve roads to pre-fire/flood condition
- ♦ Paving of new emergency evacuation road along Elder Drive and Little Bear Creek to Torrey Road
- ♦ Install drainage crossings
- ♦ Install turn outs and turn around areas
- ♦ Priorities were reviewed and adjusted by PAC members
- ♦ Road project to be administered by SDD in conjunction with water improvements
- ♦ Funding may change priorities



Water and Road Project

Road Maintenance and Snow Removal Costs Option 1

Road Grading @ 4 times per year	\$ 53,000
Culvert Cleaning @ 2 times per year	\$ 16,000
Snow Removal @ 8 times per year	\$ 111,500
Reserves	\$ 54,000
Administration & Overhead	\$ 72,000
Total Budget	\$ 306,500

Number of Parcels	700
Annual Per Parcel Charge	\$ 438
Annual Per Parcel Charge w/ anticipated 25% delinquency rate	\$ 584



Water and Road Project

Road Maintenance and Snow Removal Costs Option 2

Road Grading @ 2 times per year	\$ 27,000
Culvert Cleaning @ 1 time per year	\$ 16,000
Snow Removal @ 6 times per year	\$ 84,000
Reserves	\$ 24,000
Administration & Overhead	\$ 54,000
Total Budget	\$ 197,000

Number of Parcels	700
Annual Per Parcel Charge	\$ 282
Annual Per Parcel Charge w/ anticipated 25% delinquency rate	\$ 375



Water and Road Project

Where do we go from here?

- ♦ Board approval of \$800,000 loan on June 13, 2005
- ♦ Purchase the Arrowhead Manor Water Company
- ♦ Transition operations and maintenance of the water system to SDD
- ♦ Finalize and implement water rates
- ♦ Conduct election for road maintenance fee
- ♦ Implement the water and road projects over a four to five year phased construction period



Contact Us

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